



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

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Executive Director

James W. Carter
Division Director

October 30, 1996

CERTIFIED RETURN RECEIPT

P 074 976 559

Richard Hilyard
Claim Stake Mining
346 North 300 East
Lehi, Utah 84043

Re: Status of Exploration and Small Mining Project, Claim Stake Mining Company, Grant #1 & 2 Project, E/041/022 (U-056-93-01N) and S/041/023, (UT-58-45N) Sevier County, Utah

Dear Mr. Hilyard

On October 15, 1996, the technical staff from the Bureau of Land Management (BLM) and this Division performed a joint field inspection of your Grant #1 & 2 small mining project, located in Sections 10 & 15, T21S, R1E, Sevier County, Utah. Your original mining notice (S/041/023) was received and approved in July 1983. In November, 1992, you filed an exploration notice with the BLM and the Division for the same general area as your earlier mining notice. This notice was accepted by the Division and mistakenly given a *new* and separate file number E/041/022. According to the Division's *Neighboring and Related Sites Policy*, this notice should have been included as an amendment to your original mining notice. Exploration file E/041/022 will accordingly be closed and combined with the small mining notice, file number S/041/023.

During the October 15th inspection, it appeared that the site had not been worked for several years. Surrounding native vegetation has invaded most of the disturbed area(s). However, there is still mining equipment and associated debris remaining on site. The BLM and Division mutually agree that this small mining operation could be considered satisfactorily reclaimed due to the natural invasion of surrounding vegetation. However, before this decision can become effective (allowing us to close/retire your mine file), the equipment will have to be removed and the debris cleared from the site. It is our understanding that on August 21, 1990, you met with Mr. Michael Jackson of the BLM to resolve an outstanding Non-compliance notice. You agreed to make all equipment operational or remove it from the site, reclaim the pits, and clean up the site.

Rule R647-3-116 (*Reports*), requires an operator of a small mine site to file an annual report with the Division. Our records indicate that there has not been an annual report received for this project since 1991, which indicated that the site was inactive. Pursuant to Rule R647-3-112.5 (*Suspension or Termination of Operations*), the Division can require that a mine site be reclaimed after 5 years of continued suspension. Because we have not received any annual reports or other correspondence notifying us of your intentions for this site, we hereby request that you complete the



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remaining reclamation (clean up) of this site by **November 30, 1996**. Please notify us as soon as this work has been completed. Once we confirm that the site is satisfactorily reclaimed, we will formally notify and release you from any further reclamation obligations at the Grant #1 & 2 site. Your mine file will then be closed and archived accordingly.

Thank you for your cooperation and immediate attention to resolve this permitting concern. If you have any questions or concerns regarding the requirements of this letter, please contact me or Lynn Kunzler of my staff at (801) 538-5286 and 538-5310 respectively.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment - rules cited
cc: Vearl Christiansen, BLM, Sevier River RA
Lynn Kunzler, DOGM
Hilyard.ltr

Rules Cited

Rule R647-3-116 Reports.

1. On or before January 31 of each year, unless waived in writing by the Division, each operator conducting small mining operations must file an operations and progress report (FORM MR-AR) describing its operations during the preceding calendar year, including:
 - 1.11. The location of the operation and the number and date of the applicable Notice of Intention;
 - 1.12. The gross amounts of ore and waste materials moved during the year, as well as the disposition of such materials;
 - 1.13. New surface disturbances created during the year;
 - 1.14. The reclamation work performed during the year.
2. The operator shall keep and maintain timely records relating to his performance under the Act and still make these records available to the Division upon request.

Rule R647-3-112.5 Suspension or Termination of Operations.

Small mining operations that have been approved for an extended suspension period will be reevaluated on a regular basis. Additional interim reclamation or stabilization measures may be required in order for a small mining operation to remain in a continued state of suspension.

Reclamation of a small mining operation may be required after five (5) years of continued suspension.

The Division will require complete reclamation of the mine site when the suspension period exceeds 10 years, unless the operator appeals to the Board prior to the expiration of the 10-year period and shows good cause for a longer suspension period.